

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CHARLES AND DELORISE EVANS)	
D/B/A MEADOWBROOK)	
)	
COMPLAINANTS)	
)	
v.)	CASE NO. 96-301
)	
WEST MARSHALL WATER DISTRICT)	
)	
DEFENDANT)	

O R D E R

On July 16, 1996, Charles and Delorise Evans d/b/a Meadowbrook ("Complainants") filed a formal complaint against West Marshall Water District ("West Marshall"). The Complaint alleges that West Marshall's reimbursement plan for Complainants' \$14,281.60 extension of West Marshall's water main violates the requirements of Commission regulation 807 KAR 5:066, Section 11(3).

West Marshall and Complainants have filed with the Commission documents, which are signed by the parties, containing West Marshall's offer to satisfy the Complaint and Complainants' acceptance of same. West Marshall's offer states that it will "borrow a sum not to exceed \$13,381.60, which represents the total amount that West Marshall Water District owes Charles and Delorise Evans D/B/A Meadowbrook, for the extension for water main service to their twenty (20) lots, located in Phase one (1) of the Meadowbrook Mobile Home Park." The parties seek approval of the proposed loan and dismissal of the Complaint. The Commission, in its Order dated June 9, 1997, treated

the requests as a motion and held the same in abeyance pending West Marshall's filing of additional information concerning the loan.

On June 19, 1997, West Marshall filed a letter stating that it proposes to borrow \$10,000 from the Bank of Benton. In its letter, to which an amortization schedule is attached, West Marshall also states that "the debt service requirements will not necessitate a rate increase."

On July 17, 1997, West Marshall filed another letter which notifies the Commission that funds from West Marshall's bond account will also be used to satisfy the Complaint. In this letter, West Marshall states that it currently has \$9,744.82 in the account. The funds, West Marshall asserts, "are in excess of what we really need to fund our debt with FHA."

Finally, on September 3, 1997, West Marshall filed a letter notifying the Commission that it proposes to obtain a two-year loan from the Bank of Benton. West Marshall's letter includes an amortization schedule for the two-year loan and a copy of a letter from the Vice President of the Bank of Benton, which states that "even though this note is set up for a 2 year term with a balloon payment at the end of the term, the Bank of Benton will be glad to renew this note for additional 2 year periods as needed to repay the debt."

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that West Marshall's offer to satisfy the Complaint has been accepted by Complainants. The Commission further finds that the offer is lawful and

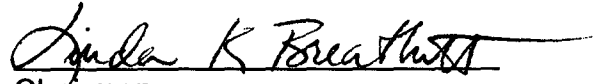
reasonable and should be approved. Consequently, the parties' motion seeking dismissal of this case should be granted.

IT IS THEREFORE ORDERED that:


1. West Marshall's offer to satisfy the instant Complaint is hereby approved and the parties' motion to dismiss is hereby granted.
2. This case is dismissed as satisfied.

Done at Frankfort, Kentucky, this 29th day of September, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director